VZCZCXRO6418 PP RUEHCI DE RUEHKT #0065/01 0250615 ZNY CCCCC ZZH P 250615Z JAN 10 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC PRIORITY 1333 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 7282 RUEHLM/AMEMBASSY COLOMBO PRIORITY 7650 RUEHKA/AMEMBASSY DHAKA PRIORITY 3001 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5689 RUEHLO/AMEMBASSY LONDON PRIORITY 6760 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3468 RUEHCI/AMCONSUL KOLKATA PRIORITY 4942 RUEHGV/USMISSION GENEVA PRIORITY 2523 RUCNDT/USMISSION USUN NEW YORK PRIORITY 3805 RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000065

SIPDIS

E.O. 12958: DECL: 01/22/2019 TAGS: <u>PGOV PREL PHUM KDEM NP</u>

SUBJECT: NEPAL FORMIN OPTIMISTIC ON HIGH-LEVEL MECHANISM

REF: A. KATHMANDU 0029

¶B. KATHMANDU 0045

1C. STATE 3079

1D. 09 KATHMANDU 1077

Classified By: Charge d'Affaires, a.i., John M. Ordway. Reasons 1.4 (b/d).

11. (C) SUMMARY: The recently-announced High-Level Political Mechanism will help solve Nepal's political impasse, according to DeputyPM and FM Sujata Koirala. Koirala told visiting PDAS Moon that the Mechanism, led by her father G.P. Koirala, would focus first on the integration and rehabilitation of Maoist combatants. On UNMIN, Koirala expressed support for a longer mandate extension. The visit of Indian FM Krishna was "very positive," Koirala said, noting that she preferred to deal with "politicians" instead of "bureaucrats." Koirala is pressing Bhutan to accept the return of some Bhutanese refugees, and has raised the issue with both the Indian and Bhutanese foreign ministers. END SUMMARY.

Upbeat on High-Level Political Mechanism

¶2. (C) During a January 18 meeting with DeputyPM and ForMin Sujata Koirala at her residence, visiting PDAS Patrick Moon pressed the Government of Nepal (GON) to demonstrate maximum flexibility in concluding the peace process. The United States wants to see a peaceful, democratic and stable Nepal that respects human rights, Moon said. ForMin Koirala told PDAS Moon that the recently-announced High-Level Political Mechanism -- which is led by her father, Nepali Congress President G.P. Koirala -- would help solve Nepal's political impasse. The ForMin reported that her 84-year-old father, "who wants to see the Mechanism succeed," is in "somewhat better health." ForMin Koirala said the Mechanism would focus first on the integration and rehabilitation of the 19,602 Maoist combatants, then would deal with the constitution and other issues. PM Nepal has been included as an "invitee," though the Maoists resisted his involvement. Koirala also urged the United States to "keep the pressure" on the Maoists, who remain the key to the peace process.

Support for UNMIN

¶3. (C) ForMin Koirala expressed her support for UNMIN and said that she (and her father) wanted a full six-month extension of UNMIN's mandate, even though the PM and his

"hardline advisors," such as Minister for Federal Affairs Minendra Rijal, did not want any extension. Koirala said she conveyed her support for the longer mandate extension to UNMIN "orally," even though the GON had already sent a letter to the UN requesting UNMIN's extension to May 15. (Comment: It is unclear whether the ForMin expected her oral support to have any impact on the UNSC discussion since it conflicts with the GON formal position. Koirala previously indicated to Charge that she would support an extension past May 15 (ref A). End Comment.)

India Foreign Minister Better than "Bureaucrats"

14. (C) On the recently-concluded India ForMin visit, Koirala was decidedly upbeat. Koirala, who only ten days ago in a meeting with the Charge sharply criticized New Delhi, said India policy was moving in a "positive direction" and that high-level Indian politicians should "come more often to avoid misunderstanding." She said that Indian ForMin SM Krishna was an "excellent person, nice, and sophisticated" and that she much preferred talking to politicians like him compared to "Indian bureaucrats" (likely referring to Indian Ambassador to Nepal Rakesh Sood). Commenting on Maoist leader Prachanda's anti-Indian comments, Koirala said these were "undiplomatic" and unhelpful. India and Nepal should solve their problems through dialogue, not public outbursts.

China Ties "Positive"

15. (C) Koirala said that relations with China were positive.

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China does not interfere in Nepal's internal affairs, which the GON appreciates. The GON has sought additional economic assistance from China, but has not received the degree of support that it had hoped. Nepal has "no choice" but to maintain good relations with both China and India. It needs support of both, and wants to maintain ties with both based on much respect and equality.

Lobbying for Return of Bhutanese, Copenhagen Accord

¶6. (C) PDAS Moon thanked the ForMin for the GON's support for resettling Bhutanese refugees and protecting Tibetan refugees. ForMin Koirala said she asked the Indian ForMin to help convince the Bhutanese government to accept some refugees back, but the Indian ForMin said this was a bilateral issue between Nepal and Bhutan. ForMin Koirala also raised the issue with the Bhutanese ForMin at the December 11 BIMSTEC summit in Burma, who was "surprised" that any refugees in Nepal wanted to return to Bhutan. PDAS Moon also encouraged Nepal to associate itself with the Copenhagen Accord (refs B & C). The ForMin acknowledged the request, but did not provide a substantive response.

Comment

17. (C) Like her father, Koirala hopes the High-Level Political Mechanism will bring Nepal's peace process to its "logical conclusion" and thus secure the Koirala family legacy (and her political future). While we are not overly optimistic, particularly given the sharp divides in all parties, the Mechanism does provide a forum for discussion and perhaps some political cover for the Maoists to scale back their public protests. The ForMin's lobbying for the return of Bhutanese refugees, which she promised PDAS Witten in December (ref D), is encouraging — although we are not optimistic that the Bhutanese government will change its policy. The ForMin has many limitations, political and personal, but her positive action on the Bhutanese issue shows that she listens to U.S. concerns and wants to help us when possible.

ORDWAY